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DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION

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May 31, 2002

Administrative Judge Alan Rosenthal
Atomic Safety and Licensing Board Panel
Mail Stop T-3 F23
U. S. Nuclear Regulatory Commission
Washington DC 20555-0001

Re: Docket No. 40-8681-MLA-11

Dear Judge Rosenthal

In reference to the docket number listed above, it has come to our attention that the Nuclear Regulatory Commission (NRC) is contemplating a license amendment action that would result in the shipment of 17,000 tons of radioactive sludge from MolyCorp's mine at Mountain Pass, California to the White Mesa Uranium Mill south of Blanding, Utah. Since these shipments would traverse southern Nevada, we contend the NRC must conduct a risk analysis to assess threats to human health and the environment associated with a transportation accident involving these materials/wastes within the Las Vegas Valley.

Please note that Nevada Officials have worked to eliminate radioactive waste shipments in southern Nevada. We now have an informal agreement with the U.S. Department of Energy that prohibits radioactive waste shipments -- destined for disposal at the Nevada Test Site -- from traversing Hoover Dam and the Las Vegas Valley.

Although many government officials believe that transport of radioactive wastes and materials poses little risk to public health and safety, officials in Nevada contend that moving such hazardous materials through Las Vegas presents a significant risk that could adversely affect the State's tourist-based economy. The fact remains that Las Vegas is among the fastest growing metropolitan areas in the country, and when considering the unprecedented volume of tourists who visit the city each year (now estimated at forty million), a transportation accident

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involving radioactive materials/waste could cause significant “stigmatizing” impacts to the State's economy. The gaming, hotel, and recreational sectors in Nevada remain the State's principle employer, generating millions of dollars in private and public revenues. Just one transportation accident involving a spill of radioactive materials/waste would have a devastating impact on this key sector of the State’s economy.

Accordingly, we urge the Commission to ensure that a complete risk analysis be undertaken regarding a federal decision that would result in the shipment of radioactive sludge from Molycorp’s mine at Mountain Pass, California to the White Mesa Uranium Mill near Blanding, Utah. Such an analysis, moreover, must be undertaken per the requirements of the National Environmental Policy Act (NEPA). Specifically, we contend that a set of alternatives be developed to evaluate varying risks to human health and the environment associated with alternative shipping containers and highway routes including routes that avoid the Las Vegas Valley.

Thank you for consideration of these comments.

Sincerely

Allen Biaggi
Administrator

cc: Governor Kenny Guinn
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